

In the Matter of:

4. Milburn's calculations are correct and show an increase in purchased water cost of \$5,560.97, resulting in a purchased water adjustment of 69 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, the average bill of

Milburn's customers would increase \$3.45, from \$21.85 to \$25.30, or 15.8 percent.

5. The purchased water adjustment of 69 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:


1. The purchased water adjustment of 69 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after the date of this Order.


2. Within 30 days from the date of this Order, Milburn shall file a revised tariff sheet setting out the rates approved herein.

3. Within 30 days of the date of this Order, Milburn shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 16th day of April, 1996.

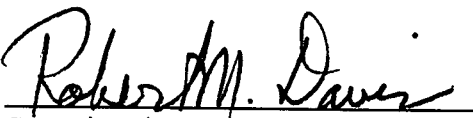
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-107 DATED APRIL 16, 1996

The following rates and charges are prescribed for the customers in the area served by Milburn Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Rate

First 2,000 gallons	\$10.63 Minimum Bill
Next 3,000 gallons	4.89 per 1,000 gallons
Next 5,000 gallons	4.04 per 1,000 gallons
Next 10,000 gallons	3.19 per 1,000 gallons
Over 20,000 gallons	2.69 per 1,000 gallons